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*Scrabble DRAFT - (See Comint - (Pt 1) )*

*24 July 1950*

Dear Mr. Webb:

1. This is in reply to your letter of 7 July 1950 which forwarded for my comments the State-Defense Staff Study of 1 May 1950 on "Production on National Intelligence," together with a proposed NSC directive.

2. In effect, the proposed NSC directive is violative of the National Security Act of 1947 and contrary to the intent of the Congress. The IAC would be changed from an advisory committee into a body of co-equal directors of CIA. Thus, the elusive, collective responsibility of committee rule would be substituted for the definite, individual responsibility of the Director of Central Intelligence.

3. Under the National Security Act of 1947, it was the intent of the Congress:

a. To create an independent, central intelligence agency which would provide the initiative and leadership in developing a coordinated intelligence system.

b. To provide one individual, namely, the DCI, who the Congress would hold personally responsible for national intelligence.

c. That CIA would look to the NSC only for broad direction and guidance; and that the day-to-day operation of the Agency would be in the hands of the DCI, and not under the control of

a committee of representatives from subordinate components of the intelligence community.

4. Clearly, the proposed NSC directive would negate the purpose for which the Congress created CIA. In addition, the National Security Council does not have the authority to create conditions precedent to the "full statutory responsibility of the DCI" as imposed by the Congress.

5. You will recall that both NSC 50 and the Eberstadt Committee re-affirmed the concept of CIA as a strong, responsible central agency at the head of the intelligence community.

6. The need for a national estimates staff and a current intelligence working group has been recognized by CIA. In fact, for several months, a small, central group in CIA has been collating and evaluating all available information pertaining to Soviet intentions. This group has been endeavoring to obtain full coordination with other intelligence agencies with indifferent success. (See DCI proposal re Watch Committee, etc.) The conclusions of this group have been coordinated with the other intelligence agencies through the media of those individuals who have been made available as an ad hoc Watch Committee. It is evident that the formalization of the Watch Committee on a permanent and full-time basis, and with the full cooperation of the intelligence community is long overdue. During the past month, this group within CIA has been expanded to meet the current operational situation, and it is planned to formalize the group's status as indicated in Enclosure A hereto. It is also planned to establish a National Estimates Staff. A statement of its functions is attached as Enclosure B.